constrain introduction of competition through open access. A consumer would avail of open access only if the payment of all the charges leads to a benefit to him. The policy further states that while the interest of distribution licensee needs to be protected, it would be essential that this provision of the Act, which requires the open access to be introduced in a time-bound manner, is used to bring about competition in the larger interest of consumers.

The Tariff Policy lays down the methodology for computation of cross subsidy surcharge.

Restructuring of APDRP

3134 SHRIMATI SHOBHANA BHARTIA: Will the Minister of POWER be pleased to state:

(a) whether in a bid to give a further push to promote States to encourage reduction in Aggregate Transmission and Commercial (AT&C) losses, Government propose to restructure the ongoing Accelerated Power Development and Reforms Programme (APDRP);

(b) if so, whether Government have admitted that the 36 per cent of AT&C losses and losses of Rs. 24,000 crore incurred by State Electricity Boards are the matter of serious concern;

(c) if so, whether some of the States like Maharashtra, Gujarat, Andhra Pradesh have been benefited by APDRP; and

(d) if so. by what time other States are likely to be benefited by this reform?

THE MINISTER OF POWER (SHRI SUSHIL KUMAR SHINDE): (a) With a view to examine the issues relating to Accelerated Power Development and Reforms Programme (APDRP) including the achievements, the shortcomings, problems of implementations and to make suggestions for improvement, it has been decided to constitute a Task Force for restructuring of APDRP with the following terms of reference:

(i) To assess the current efforts under APDRP;

(ii) Analyze the current reforms initiatives that are being pursued by the States with reference to the objectives of APDRP;

(iii) To assess the need for modifications in the light of independent evaluations and other feed back; and

(iv) Suggest measures to achieve the objectives of APDRP.

(b) to (d) The Aggregate Technical and Commercial (AT&C) losses during 2004-05 were 33.82 per cent and overall commercial losses (without subsidy) were Rs. 22,129 crore during the said period, which indeed is a serious concern for the Government. The steps taken by the Government to reduce the transmission and distribution losses including theft are:

(i) Metering of 11 kV feeders and consumer metering;

(ii) Energy accounting and auditing;

(iii) Strengthening the provisions, relating to theft of power in Electricity Act, 2003;

(iv) Upgradation and strengthening of sub-transmission and distribution system through implementation of Accelerated Power Development and Reforms Programme (APDRP);

(v) Incentivising for reduction of cash losses by State power utilities under APDRP;

(vi) Introduction of High Voltage Distribution System (HVDS); and

(vii) Introduction of IT applications.

APDRP has two components *viz.* (i) investment component and (ii) incentive component. Under investment component, funds are released as Additional Central Plan Assistance to the States for strengthening and upgradation of sub-transmission and distribution system. Under the incentive component of APDRP 50% of the actual cash loss reduction effected is given as grant to such Utilities that reduce cash losses over the base year of 2000-01. The Government has sanctioned projects for all States under APDRP, aggregating to Rs. 19180.46 crores under investment component of APDRP, out of which APDRP component is Rs. 9264.65 crores and the Government has already released an amount of Rs. 6131.13 crores to all the States under this component of programme. Under incentive component of APDRP, an aggregate amount of Rs. 1536.64 crore has been released an incentive to eight States *viz.* Andhra Pradesh, Gujarat, Haryana, Kerala, Maharashtra, Rajasthan, Punjab and West Bengal for cash loss reduction.

Rural Electrification in Madhya Pradesh

†3135. SHRI LAXMINARAYAN SHARMA: Will the Minister of POWER be pleased to state:

(a) whether it is a fact that Government of Madhya Pradesh has sent a

†Original notice of the question was received in Hindi.